

House Study Bill 658

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
LABOR BILL BY
CHAIRPERSON OLSON)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the payment of certain medically related
2 workers' compensation expenses and providing a penalty.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 6474YC 82
5 av/nh/8

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1 1 Section 1. Section 86.13, Code 2007, is amended to read as
1 2 follows:
1 3 86.13 COMPENSATION PAYMENTS.
1 4 1. If an employer or insurance carrier pays weekly
1 5 compensation benefits to an employee or pays benefits on
1 6 behalf of an employee pursuant to section 85.27, the employer
1 7 or insurance carrier shall file with the workers' compensation
1 8 commissioner in the form and manner required by the workers'
1 9 compensation commissioner a notice of the commencement of the
1 10 payments. The payments establish conclusively that the
1 11 employer and insurance carrier have notice of the injury for
1 12 which benefits are claimed but the payments do not constitute
1 13 an admission of liability under this chapter or chapter 85,
1 14 85A, or 85B.
1 15 2. If an employer or insurance carrier fails to file the
1 16 notice required by this section, the failure stops the running
1 17 of the time periods in section 85.26 as of the date of the
1 18 first payment. If commenced, the weekly compensation benefit
1 19 payments shall be terminated only when the employee has
1 20 returned to work, or upon thirty days' notice stating the
1 21 reason for the termination and advising the employee of the
1 22 right to file a claim with the workers' compensation
1 23 commissioner.
1 24 3. This section does not prevent the parties from reaching
1 25 an agreement for settlement regarding compensation. However,
1 26 the agreement is valid only if signed by all parties and
1 27 approved by the workers' compensation commissioner.
1 28 4. If a delay in commencement or termination of weekly
1 29 compensation benefits or benefits paid pursuant to section
1 30 85.27 occurs without reasonable or probable cause or excuse,
1 31 the workers' compensation commissioner shall award benefits in
1 32 addition to those benefits payable under this chapter, or
1 33 chapter 85, 85A, or 85B, up to fifty percent of the amount of
1 34 benefits that were unreasonably delayed or denied.

EXPLANATION

2 1 This bill provides that if an employer or insurance carrier
2 2 pays workers' compensation benefits on behalf of an employee
2 3 pursuant to Code section 85.27, the employer or carrier must
2 4 file notice of commencement of the payments with the workers'
2 5 compensation commissioner.
2 6 The bill also provides that if such benefits are delayed or
2 7 terminated without reasonable or probable cause or excuse, the
2 8 employer or carrier will be liable to pay additional benefits
2 9 of up to 50 percent of the amount of the benefits that were
2 10 unreasonably delayed or denied.
2 11 Expenses payable pursuant to Code section 85.27 include
2 12 reasonable surgical, medical, dental, osteopathic,
2 13 chiropractic, podiatric, physical rehabilitation, nursing,
2 14 ambulance and hospital services, and supplies, as well as
2 15 reasonably necessary transportation expenses incurred for such
2 16 services.
2 17 LSB 6474YC 82
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